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District 11



July 9, 2020

Public Utility Commission of Texas 1701 N. Congress Avenue Austin, Texas 78711

Chairman Walker, Commissioner D'Andrea, and Commissioner Botkin:

I appreciate your continued leadership during this unprecedented time for Texas.

During the ongoing public health and economic crises, connectivity is especially important to enable Texans to have reliable, affordable access to telemedicine, remote work, distance learning, e-commerce, and connections with friends and family. Connectivity is important across the entire state, but most critically to Texans in rural areas. The Universal Service Fund is a very important part of sustaining and growing that connectivity in rural Texas.

If the fund were to be bankrupt, I am concerned several of our small local phone companies, many of whom are phone cooperatives originally created because their service areas were underserved or had no service at all, will simply close their doors.

The commission has several options at its disposal to keep the fund viable. Increasing the assessment (which the commission has done several times previously), changing the applicability of the assessments to include VOIP or other internet based calls, or shifting from a revenue based assessment to a per connection based assessment. All of these can be accomplished by rule and will not require legislative action.

If further legislative action is required, I am prepared to stand with rural Texans in providing solutions for their connectivity needs. Unfortunately, if the funding issue is not addressed in the short-term a legislative solution will be too late.

Please do not hesitate to reach out to call if you have any questions.

Sincerely,

Travis Clardy

Texas House of Representatives